

states of America and its nationals any and all rights, privileges, indemnities, reparations or advantages, together with the right to enforce the same, to which it or they have become entitled under the terms of the armistice signed November 11, 1918, or any extensions or modifications thereof, or which were acquired by or are in the possession of the United States of America by reason of its participation in the war or to which its nationals and its nationals become rightfully entitled, or which under the Treaty of Versailles have been stipulated for its or their benefit, or to which it is entitled as one of the principal allied and associated Powers, or to which it is entitled by virtue of an act or acts of Congress or otherwise.

Section 3. That the state of war declared to exist between the Imperial and Austro-Hungarian Government and the United States of America by the joint resolution of Congress, approved December 7, 1917, is hereby declared at an end.

Section 4. That in making this declaration, and as part of it, there are expressly reserved to the United States of America and its nationals any and all rights, privileges, indemnities, reparations or advantages, together with the right to enforce the same, to which it or they have become entitled under the terms of the armistice signed November 11, 1918, or any extensions or modifications thereof, or which were acquired by or are in the possession of the United States of America by reason of its participation in the war or to which its nationals have thereby become rightfully entitled, or which under the Treaty of Saint Germain-Lapelle or the Treaty of Trianon, have been stipulated for its or their benefit, or to which it is entitled as one of the principal allied and associated Powers, or to which it is entitled by virtue of any act or acts of Congress, or otherwise.

Section 5. All property of the Imperial German Government, or its successor or successors, and of all German nationals which was, on April 6, 1917, in, or has since that date come into the possession or under the control of, or has been the subject of a demand by the United States of America, or of any of its officers, agents, or employees, from any source or by any agency whatsoever, and all property of the Imperial and Royal Austro-Hungarian Government, or its successor or successors, and of all Austro-Hungarian nationals which was on December 7, 1917, in, or has since that date come into the possession or under the control of, or has been the subject of a demand by the United States of America, or of any of its officers, agents, or employees, from any source or by any agency whatsoever, shall be retained by the United States of America and no disposition thereof made except as shall have been heretofore or specifically hereafter shall be provided by law until such time as the Imperial German Government and the Imperial and Royal Austro-Hungarian Government, or their successor or successors, shall have respectively made suitable provision for the satisfaction of all claims against said Governments, respectively, of all persons, wherever domiciled, who owe permanent allegiance to the United States of America and who have suffered, through the acts of the Imperial German Government or its agents, or the Imperial and Royal Austro-Hungarian Government, or its agents, since July 21, 1914, loss, damage or injury to their persons or property, directly or indirectly, whether through the ownership of shares of stock in German, Austro-Hungarian, American or other corporations, or in consequence of hostilities, or of any operations of war, or otherwise, and also shall have granted to persons owing permanent allegiance to the United States of America most favored nation treatment, whether the same be national or otherwise, in all matters affecting residence, business, profession, trade, navigation, commerce and industrial property rights, and until the Imperial German Government and the Imperial and Royal Austro-Hungarian Government, or their successor or successors, have respectively confirmed to the United States of America all fines, forfeitures, penalties and seizures imposed or made by the United States of America during the war, whether in respect to the property of the Imperial German Government, or German nationals, or the Imperial and Royal Austro-Hungarian Government, or Austro-Hungarian nationals, and shall have waived any and all pecuniary claims against the United States of America.

Section 6. Nothing herein contained shall be construed to repeal, modify or amend the provisions of the joint resolution "declaring that

House, Passing Big Bills, Hopes for Record To-day

Special Despatch to This New York Herald.

New York Herald Bureau, Washington, D. C., June 28. ALL records of recent years for important legislative action in the House will be broken to-morrow if plans of Republican leaders are carried out.

The House disarmament amendment to the naval appropriation bill probably will be approved and final action will be taken on the measure, the conference report on the peace resolution will be passed and the permanent tariff bill, which involved six months' work, will be introduced.

certain acts of Congress, joint resolutions and proclamations shall be construed as if the war had ended and the present or existing emergency expired." approved March 3, 1921, or the passport control provisions of an act entitled "an act making appropriations for the diplomatic and consular service for the fiscal year ending June 30, 1922," approved March 2, 1921, nor to be effective to terminate the military status of any person now in desertion from the military or naval service of the United States, nor to terminate the liability to prosecution and punishment under the espionage law, approved May 18, 1917, of any person who failed to comply with the provisions of said act or of acts amendatory thereof.

Democrats Refuse to Sign. "The agreement reached by the Republican majority in the House to-day was submitted formally to the Democratic conferees. They refused to sign the report and were granted the right to explain their refusal when the conference report is considered in the House and Senate.

HARDING TO APPROVE ARMY APPROPRIATION

Likely to Insist on Modification at Next Session.

WASHINGTON, June 28. — Although President Harding is expected to sign the army appropriation bill reducing the standing army to 150,000, he probably will call the attention of Congress to certain provisions of the measure which he is understood to consider will require modification at the next session.

The measure, which has been referred by the White House to the War Department, was discussed at a conference to-day of the President, Secretary Weeks, Speaker Gillett and Republican Leader Mondell of the House. Representative Greene (Vt.), a Republican member of the House Military Committee, and Senator Borah (Idaho). It is understood that a provision of the bill adopted at the suggestion of Senator Borah and affecting the reduction of personnel occupied most attention, and that the President, why he considered that this provision might need modification later. Senator Borah was said also to have explained his position frankly.

As it has come from conference the appropriation measure provides that the reduction to 150,000 men must be accomplished by October 1. War Department officials say the bill requires the discharge of several thousand men by arbitrary means. Under the Borah provision the department is prohibited from exceeding the actual amount appropriated, a stipulation which Secretary Weeks is understood to feel might force the Government, in its effort to reduce the enlisted strength, to break its enlistment contracts with some of the men to be discharged.

Mr. Harding has only three days in which to approve the bill if a lapse of army appropriations at the beginning of the new fiscal year, July 1, is to be avoided. It is understood that the shortness of the time led to his decision to attach his signature and leave objectionable features to be straightened out later.

TARIFF BILL WILL BE INTRODUCED TO-DAY

It Will Carry Rates Generally Equal to Those of Payne-Aldrich Law.

YIELD OF \$600,000,000

Committee Puts Lumber on Free List, but Gives President Levy Power.

MANY ITEMS OPPOSED

U. S. Tariff Commission Receives Unusual Powers and May Cause Fight.

Special Despatch to This New York Herald.

New York Herald Bureau, Washington, D. C., June 28. The permanent tariff bill, representing six months of work by Republicans of the House Ways and Means Committee, will be introduced in the House to-morrow. Representative Fordney (Mich.), chairman of the committee, announced to-night.

The measure, one of the major tasks of the present session and the first tariff bill to be reported since the Democratic law of 1915, will carry rates in the main equal to those of the Republican Payne-Aldrich law of 1909. On many items, however, the duties will be higher than those of the last Republican tariff. It is estimated that the bill will yield a total revenue of from \$500,000,000 to \$600,000,000, in place of the \$200,000,000 now being received from the low Democratic rates.

Opponents of the high lumber duties previously in the bill won an important victory in the framing of the measure to-day, when previous action was reconsidered and all lumber placed on the free list, with the exception that the President may in his discretion impose on the lumber imports from any country a duty equal to that collected by the exporting nation.

Left to the President.

Previously a duty had been placed on shingles and rough lumber, with a mandatory provision that the reciprocal duty be applied. Thus the question as to whether a 25 per cent. ad valorem duty on finished lumber imported from Canada is to apply is left to the President.

Representative Newton (Minn.), representing the Republican insurgents from fifteen States who opposed the high lumber schedules, appeared before the Ways and Means Committee and the reversal of the committee's action followed. He informed the committee that the lumber schedule had caused such opposition that it could be defeated in the House.

The bill to be introduced is a huge document. It will contain more than 500 pages, or approximately 75,000 words, on between seven and eight solid pages of type in The New York Herald. It will contain more than a thousand paragraphs, affecting several thousand items. The measure introduced so many new products to America that almost a thousand articles that never before appeared in a tariff bill will be listed.

The bulk of the large free list inserted by the Democrats in 1913 has been eliminated.

House Republicans will start conferences on the measure Thursday night. Plans are to start consideration of the bill in the House the latter part of next week and pass it before August 1. Republican ranks, despite the change in the lumber schedule, still are sharply divided on many duties and the path of the bill probably will be stormy. Democratic members of the committee have not seen the schedule, but it will be reported out of the committee over their objections.

Administrative Changes. Important administrative changes have been made in the bill which are apt to raise considerable objection. The United States Tariff Commission receives unusual powers, which in some instances place it superior to the Secretary of the Treasury in carrying out the law. Several duties which cannot be

definitely fixed are left to the discretion of the commission instead of the Treasury Department.

For instance, a virtual embargo on the importation of dyestuffs for three years is included in the bill, and the administration of this feature is lodged with the Tariff Commission. The charge will be made that the commission was created for advisory and not executive purposes and that it is packed with men representing various interests that will be vitally affected by the tariff schedules.

Provision is also made for the so-called bartering tariffs which President Harding recently requested. This provision will enable the President in many instances to adjust tariff rates between countries which give trade advantages to the United States.

DOMINICANS TOLD EVACUATION TERMS

Proclamation of State Department Defines Island's Obligations.

Special Despatch to This New York Herald.

New York Herald Bureau, Washington, D. C., June 28. The United States to-day issued a "benevolent ultimatum" to the people of Santo Domingo. It is in the form of a proclamation which the State Department has instructed the American Legation at Santo Domingo to make public in order to clarify any misunderstanding that may exist concerning the terms under which American troops are to be withdrawn.

The Government finds itself in the position of the person who has adopted a ward, has given to it a rudimentary education and has incurred obligations for its further improvement, and desires to assure itself that these obligations will be observed. It might happen that the ward would prove ungrateful and carry out the terms of these obligations. That is the situation in which the Government of the United States finds itself.

During its occupation the United States started the construction of schools, roads and other improvements, and negotiated a minimum loan of \$2,500,000 to insure the completion of those improvements for the advantage of the Dominican people.

Before evacuating the republic the Government of the United States wants assurance doubly sure that those obligations will be taken care of. Without such assurance the American inquiries will remain in the island and the present military Government will continue. It was explained that the proclamation is not in answer to the recent protest made by the Dominicans to the terms of evacuation, but merely to clarify the situation.

NEGRO NOMINATED AS DISTRICT RECORDER

He Is H. L. Johnson, Republican National Committeeman

Special Despatch to This New York Herald.

New York Herald Bureau, Washington, D. C., June 28. Henry Lincoln Johnson, negro Republican National Committeeman from Georgia, was nominated to-day for office as Recorder of Deeds of the District of Columbia, a place of patronage that has gone to the negro race in every Republican Administration of recent years.

For the last eight years the office of Recorder of Deeds of the District of Columbia has been held by John P. Costello, Democratic National Committeeman from the District of Columbia. Johnson stated to-night that he expected no opposition to his confirmation as Recorder, although there has been a fight made on him in Georgia. His election as National Committeeman was declared by the Georgia faction to be the only reason for failure of Republicans to carry the last election in Georgia. As a result of the party row in the State the Republican National Committee is reorganizing the party there through the offices of a committee of 100 prominent citizens.

JAPAN'S NAVAL BUDGET REVEALS NO DECREASE

Estimates for Fiscal Year 500,000,000 Yen.

By the Associated Press.

Tokio, June 28. — The naval estimate for the fiscal year to anticipate the expenditure of 500,000,000 yen, about the same amount as carried by the naval budget last year.

There is to be no change in the basic policy of completing the Government's eight battleships and eight cruisers programme.

DAWES SEES BUDGET SAVE MILLION A DAY

Continued from First Page.

marly because it is there to be used if necessary. The bureau chief who shows a surplus at the end of the fiscal year will most assuredly not be in line for dismissal.

Statement by President.

THE NEW YORK HERALD prints herewith the full text of President Harding's statement promulgating this new theory of Government expenditures:

"The President does not assume, as has been the custom under the old system with individual departments, that the minimum of governmental expenditures in the year is the amount fixed by Congress in its appropriations. This applies to appropriations already made for the fiscal year starting July 1, 1921. He has invited the Director of the Budget to determine immediately what is the minimum under the budget machinery with which the Government can be operated during the next year. As would be done in any ordinary business being confronted with the necessity for economy, the President has therefore directed the Director of the Budget to prepare a new budget for the department being confronted by the fiscal year ending June 30, 1922.

"The maximum of this budget is expected to be below the minimum amount provided for in existing Congressional appropriations.

"The President also interprets Section 200 of the budget law as authorizing the Director of the Budget to prepare for his information an alternative budget for the fiscal year ending June 30, 1922, in which an effort will be made to estimate the financial economies incident to the general plan of reorganization of the administrative branch of the Government.

"It is hoped that the new budget in tentative form for the departments to work by under existing appropriations will be completed within thirty days. As a stop thereto he has called a meeting of the administrative organization of the Government, including the Cabinet, chief clerks, chiefs and assistant chiefs of bureaus, at which his plan will be announced in detail by the Director of the Budget."

Will be No Secrecy.

The Administration proposes that the operations of the "economy squad"—all the moves that are made in the campaign to put the Government on a real business basis—shall be in the open. The people are to be taken into the full confidence of the Government, so that they can judge for themselves what progress is being made and how efficient the work is being done. The President wants the country to see for itself what a difficult job has been undertaken. He believes the best way to gain the help and sympathy of the public is by holding no star chamber proceedings.

It would be impracticable to admit the general public to the meeting of the Cabinet and bureau chiefs with the President and Mr. Dawes to-morrow, because the auditorium of the Interior Department is not big enough to accommodate a great crowd. But all the Washington news correspondents will be admitted and provided with tables for writing, and no restrictions will be placed upon their reports of the proceedings.

The Navy Department is wasting \$50,000,000 a year by keeping many virtually obsolete war vessels in commission with large crews aboard. Representative Patrick (Pa.), chairman of the House Naval Affairs Committee, said to-day.

To force economy in this respect, Mr. Butler announced that the naval affairs committee probably would make a thorough inquiry into the condition of naval vessels and would frame a bill directing the sale or junking of a considerable number of ships which have little or no value in time of war.

Mr. Butler's charges that the Navy Department is wasting a huge sum in this manner were substantiated by Representative Patrick (Mich.). In a charge of the naval appropriation in the House.

To Cooperate With Dawes.

Walter F. Brown, chairman of the Congressional Joint Reorganization Committee, will work in close cooperation with Director of the Budget Dawes. He intends to have a get-together meeting of the Cabinet members and bureau chiefs in the next few weeks to get down to "brass tacks" in regrouping Government bureaus in such a way as to eliminate overlapping and unnecessary duplication of work.

Mr. Brown believes a million dollars

a day can be saved to the Government by eliminating red tape and useless work. He intends to have a concrete plan to lay before the forthcoming meeting, which will not be ironclad, but merely in the nature of a suggestion, which can be debated and perhaps used as the basis of a financial report to Congress.

The Shipping Board met to-day with the main department heads and explained that the board members were so busy on the reorganization of policies and plans that they had not yet got to the matter of personnel, that among the thousands employed by the Shipping Board there must be an overwhelming number who could be helpful to the enterprise. The board asked the loyal support of all its staff.

WAR DEPARTMENT CUTS RENT \$31,531 MONTHLY

Cancels 349 Leases in New Economy Drive

WASHINGTON, June 28. — Following out the Administration's announced policy of economy, the War Department since March 4 has cancelled 349 leases, saving the Government \$31,531 monthly in rentals. Secretary Weeks announced to-day.

The policy of reducing expenses would be continued, he said, adding that the department now was preparing for the abandonment of the chemical warfare plant at Lakehurst, N. J.

The equipment will be removed to the Edgewood Arsenal, Maryland, and the 10,000 acres of land sold. It also was announced that bids soon would be asked on many Government plants suitable for manufacturing purposes.

The total rental March 4 was \$1,500,000. Mr. Weeks said. One of the biggest items of saving was the removal of the headquarters of the Second Army Corps area at Boston from rented quarters to the army base. The amount saved was \$50,000 annually.

NEW MEMBERS FORM LATEST CONGRESS BLOC

First Term Republicans Seek More Influence.

WASHINGTON, June 28. — First term Republicans were urged to-day by eleven of their colleagues to attend a conference to-morrow night at which, it is expected, plans will be formulated by which new members hope to exert more influence in House proceedings and to speed up the legislative programme. Representative Mondell, Republican leader, has been invited to address the meeting.

Representative Ansoorge of New York, who took the initiative in issuing the call, said that new Republican members, who number approximately 100, felt that they should have greater influence in party deliberations.

Although in session almost three months, Congress has accomplished none of the objects for which it was called. Mr. Ansoorge declared, adding that there was a growing demand for action spelled with a capital "A."

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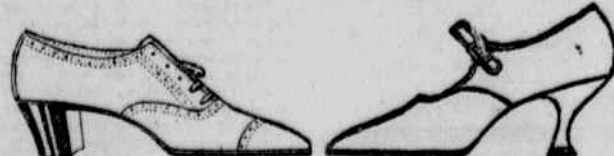
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